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Subject: Morning Energy: Bernhardt commits to Hill hearing — Taking on the test procedure — Paris accord, ANWR on tap

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MORNINGENERGY

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By KELSEY TAMBORRINO (ktamborrino@politico.com; @kelseytam)

With help from Alex Guillén

QUICK FIX

- Interior Secretary David Bernhardt has agreed to appear before the House Natural Resources Committee this month, where he can expect some tough questions from Democrats.
- The Energy Department has proposed a new rule that would allow companies to more quickly receive waivers from test procedure requirements for energy efficiency standards.
- **Several energy bills are on tap today on the Hill**, including the House's first floor look at Democrats' Paris bill and an attempt to close off drilling in the Arctic refuge being marked up in committee.

GOOD MORNING! IT'S WEDNESDAY. I'm your host, Kelsey Tamborrino. American Lung Association's Paul Billings was the first to know the largest congressional district east of the Mississippi River is Maine's 2nd District. For today: There are two former Cabinet

secretaries in the current Congress — who are they? Send your tips, energy gossip and comments to ktamborrino@politico.com. Follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

DRIVING THE DAY

MARK YOUR CALENDARS: The recently confirmed Interior secretary made the rounds on Capitol Hill this week and left meetings with several members of the Natural Resources Committee apparently ready to testify before the panel.

"After several great meetings on the Hill today, Secretary Bernhardt has accepted the Committee's request for a hearing on 'Department of the Interior Budget and Policy Priorities for FY 2020," Interior spokesperson Faith Vander Voort said in a statement. Bernhardt has so far met with 21 members of the Natural Resources panel, as Pro's Anthony Adragna and Ben Lefebvre report. The secretary told POLITICO his goal was to meet with all members of the panel.

The new commitment to appear before the committee on May 15 follows <u>a letter</u> from Chairman <u>Raúl Grijalva</u> that declined an offer from the secretary to meet privately with lawmakers, instead insisting he appear before a public hearing. Vander Voort said Tuesday DOI hopes "the Chairman upholds his commitment to meeting with the Secretary prior to the hearing."

But when Bernhardt faces the committee later this month he can expect some pressing questions that will likely focus on his record-keeping and former clients. Since Bernhardt's confirmation in April, Interior's OIG <u>confirmed</u> it has opened an investigation into several allegations of ethics violations against the secretary, and the National Archives and Records Administration began <u>probing</u> whether he violated record-keeping laws.

In a statement accompanying Grijalva's <u>initial invite</u> to Bernhardt to testify in mid-May, he said it was time for Bernhardt to address "how he oversees billions of dollars of taxpayer money, as well as his conduct in office."

Are you a young lawyer or law student? Join POLITICO Editor Carrie Budoff Brown for an exciting conversation about 2020, politics and media at the <u>American Bar Association Young Lawyers Division Spring Conference</u>, May 2-4, in Washington, D.C. Registration is available on-site.

AROUND THE AGENCIES

EPA DENIES AGS' PETITION ON ASBESTOS REPORTING: EPA on Tuesday denied a January <u>petition</u> from 15 state attorneys general seeking changes to a chemical data reporting rule regarding asbestos, arguing that the changes are unnecessary. The AGs argued that current reporting requirements contained exemptions and other provisions that meant EPA might not get a full picture of asbestos' uses. But changing the rule per the AGs' request "would not give us any new information around asbestos" that EPA hasn't gotten from other work under the Toxic Substances Control Act, EPA chemicals chief Alexandra Dapolito Dunn told ME.

Dunn said that EPA has gathered that data already via the ongoing risk evaluation for current uses and a recent rule covering any possible future uses. "The attorneys general were asking us to change the [rule] to collect this information on asbestos in a variety of ways. And we already have the information through our work," she said. Read EPA's <u>letter</u> to the AGs and a <u>pre-publication notice of the denial</u>. The states can sue EPA within the next 60 days. EPA in December rejected a similar petition from the Asbestos Disease Awareness Organization and other groups.

California AG Xavier Becerra called the move "disappointing but not surprising," in a statement to ME. "Another non-surprise: California will do what it must to protect our people and their health," Becerra said.

EPA IG SAYS OMB STONEWALLING: EPA's internal watchdog said Tuesday the White House Office of Management and Budget is stonewalling its audit of an EPA proposal to repeal emissions limits for glider trucks, Pro's Alex Guillén <u>reports</u>. Acting EPA Inspector General Charles Sheehan <u>wrote to</u> OMB Director Mick Mulvaney that OMB has not replied to questions posed in March following months of back-and-forth.

PERRY COMMITS TO PLUTONIUM REMOVAL: Energy Secretary Rick Perry said in a letter to Nevada Sen. Catherine Cortez Masto that the department would begin in 2021 removing the controversial weapons-grade plutonium shipped to Nevada and complete the removal by the end of 2026. The department also said it would not ship a remaining one-half ton of plutonium from South Carolina to the national nuclear security site in Nevada. In response to the letter, Cortez Masto said Tuesday she would lift her hold on pending Energy Department nominees that she first placed in March. The Senate on Tuesday confirmed William Cooper to be DOE's general counsel.

DOE WANTS QUICKER EFFICIENCY WAIVERS: In a <u>proposed rule</u> published today in the Federal Register, DOE said it wants to more quickly approve waivers from test procedures under its energy efficiency standards. Waivers would be approved if the department does not respond within 30 days if the rule is finalized. DOE says the proposal is designed to avoid "significant delays for manufacturers" that can result from the existing approach.

But critics are concerned the 30-day window could allow any manufacturer to determine how it tests its product without sufficient oversight from DOE. "It opens the door to gross abuse, and says to any manufacturer that you can write whatever test procedure you want and we have to grant you the waiver," Appliance Standards Awareness Project Executive Director Andrew deLaski told ME.

DeLaski acknowledged that the majority of waivers are eventually granted by the agency, and there are legitimate reasons for those waivers. But because DOE is unlikely to respond in 30 days, he said the proposal would be tantamount to making DOE's waiver approval automatic, which would benefit "edge players" that produce non-compliant products.

GAO REVIEWING CLIMATE IMPACT ON DEFENSE CONTRACTORS: GAO will launch a review into the national security threats posed by climate change to defense contractors and the defense supply chain, it said in response to a request from Senate Armed Services ranking member <u>Jack Reed</u> and Sen. <u>Elizabeth Warren</u>. Your ME host has more <u>here</u>.

HAPPENING NOW—DON'T MISS OUT ON #MIGLOBAL: POLITICO's Ben White is at the Milken Institute Global Conference reporting on the top conversations, major takeaways and buzzy VIP sightings from one of the most influential gatherings of the world's leading minds in business, technology, government, media, health care and entertainment. Sign up for his special Milken edition "Morning Money" newsletter for a daily rundown of everything you need to know happening at #MIGLOBAL in Beverly Hills, Calif.

ON THE HILL

PARIS BILL HITS THE FLOOR: The House will begin debate of <u>H.R. 9 (116)</u> and 30 amendments today. The bill would bar U.S. withdrawal from the Paris climate accord.

Conservatives are pushing back. <u>A letter</u> to lawmakers signed by conservative groups including Competitive Enterprise Institute, Heritage Action and FreedomWorks says the measure "would inflict permanent and irreparable damage to consumers and job-creating businesses across the country."

Catch up: ME previewed some of the top amendments to watch today <u>here</u>.

FOR YOUR RADAR: House Natural Resources lawmakers today <u>will mark up</u> a bill, <u>H.R.</u> <u>1146 (116)</u>, that would repeal the Arctic National Wildlife Refuge oil and gas program. The bipartisan bill from Reps. <u>Jared Huffman</u> (D-Calif.) and <u>Brian Fitzpatrick</u> (R-Pa.) repeals the section in the 2017 Tax Cuts and Jobs Act that opened up oil and gas leasing for the coastal plain of the refuge.

Also today: The Senate Environment and Public Works Committee holds a <u>legislative</u> hearing on the discussion draft of the Nuclear Waste Policy Amendments Act of 2019. Sen. Cortez Masto and <u>Jacky Rosen</u> are set to testify during the first panel of the day.

WASTE MANAGEMENT: Senate Energy Chairman <u>Lisa Murkowski</u> and Sens. <u>Dianne</u> <u>Feinstein</u> and <u>Lamar Alexander</u> introduced <u>legislation</u> Tuesday, dubbed the Nuclear Waste Administration Act, that would establish a new organization to manage nuclear waste and allow for a consent-based process for sitting nuclear waste facilities. "Solving that nuclear waste stalemate is a top priority of mine," Murkowski said during a hearing Tuesday.

SOME COMMON GROUND? A coalition led by Alliance to Save Energy <u>called on</u> congressional leaders today to "modernize and extend key tax incentives for energy efficiency that expired more than a year ago." The coalition, which spans from the Natural Resources Defense Council to the Air-Conditioning, Heating & Refrigeration Institute, proposed instead a compromise that calls for a multi-year extension and changes to the expired 45L tax incentive for high-efficiency new home construction and the 25C tax incentive for homeowner efficiency improvements.

BLENDING IN: Several Republican senators led by Oklahoma's <u>Jim Inhofe</u> called on EPA Administrator Andrew Wheeler to "account for the ethanol blend wall" and use authority under the Renewable Fuel Standard to reset statutory targets so that "the contribution of conventional biofuel is below an implied 10 percent level for 2020, or 14.2 billion gallons." Read <u>the letter</u>.

MOVERS AND SHAKERS

— The White House plans to renominate **Raymond David Vela** this week to run the National Parks Service after his previous nomination expired, Ben <u>reports</u>. Vela's nomination lapsed at the end of the previous Congress after clearing the Senate Energy Committee in November.

THE GRID

- "EPA stalls biofuel waiver transparency plan after White House blowback: sources," Reuters.
- "U.S. close to revising offshore drilling safety rule," <u>Argus Media</u>.
- "Bank of Buffett drops \$10 billion bomb into Anadarko battle," Bloomberg.
- "'Cyber event' disrupted U.S. grid networks DOE," <u>E&E News</u>.

HAPPENING TODAY

8:30 a.m. — ecoAmerica holds <u>American Climate Leadership Summit 2019</u>, 1300 Pennsylvania Ave. NW.

9:30 a.m. — National Biodiesel Board rally for the biodiesel tax incentive extension, U.S. Capitol East Front.

- 10 a.m. House Science Committee markup of various bills, 2318 Rayburn.
- 10 a.m. House Energy and Commerce Energy Subcommittee <u>hearing</u> on "The State of Pipeline Safety and Security in America," 2123 Rayburn.
- 10 a.m. Senate Environment and Public Works Committee <u>hearing</u> on the discussion draft bill "Nuclear Waste Policy Amendments Act of 2019," 406 Dirksen.
- 10 a.m. House Natural Resources Committee <u>markup</u> on various bills, 1324 Longworth.
- 10:30 a.m. House Energy and Commerce Oversight and Investigations Subcommittee hearing on "DOE's Mounting Cleanup Costs: Billions in Environmental Liability and Growing," 2322 Rayburn.
- 2 p.m. House Natural Resources Water, Oceans and Wildlife Subcommittee <u>hearing</u> on "The State of Fisheries," 1324 Longworth.

2:30 p.m. — Senate Appropriations Energy-Water Development Subcommittee <u>hearing</u> on the proposed budget estimates and justification for the U.S. Nuclear Regulatory Commission, 138 Dirksen.

3:45 p.m. — Grijalva and Rep. <u>Raul Ruiz</u> news conference on "<u>Tribal Consultation</u>: Additional Federal Actions Needed for Infrastructure Projects," House Triangle.

THAT'S ALL FOR ME!

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